

Serving Our Heroes

How our servicemembers are protected as consumers

If you are a servicemember or their dependent, you face unusual financial and personal challenges. You may find it difficult to meet your financial obligations while serving your country. There are several laws aimed at providing military families with unique consumer protections. Below is a brief summary of some of the laws designed to protect you. We welcome you to file a complaint with us if you need assistance in resolving a consumer protection issue:

https://iddweb.isd.lacounty.gov/dca_ecomplaint/Screen/Military.aspx

California Military Families Financial Relief Act

- Allows reservist and members of the National Guard to defer payment on their mortgage, credit cards, property taxes, car loans and leases. The deferral period is the period of active duty plus 60 calendar days, or 180 days, whichever is lesser (§CMVC 800). No foreclosure or repossession of property on which payment has been deferred shall take place during this period.
- Health insurance companies that were providing coverage to a reservist at the time the reservist was ordered to active duty must reinstate their coverage with no waiting period when they return from duty (§CMVC 804).

For more information, visit

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=MVC&division=4.&title=&part=&chapter=3.&article=

California Military Families Financial Relief Act of 2005

- Allows servicemembers, their spouse, or legal dependent to terminate a cell phone contract without penalty (§CMVC 823)
- The spouse or legal dependent of a servicemember may apply for protection against a utility shut off by notifying the utility company that they've suffered a reduction in household income as the result of a member of their household being called away to active duty (§CMVC 827)

- Requires public and private post secondary schools to provide reasonable accommodations to students who serve in the military and restore them to the educational status they had prior to deployment without the loss of credits earned, scholarships or grants awarded. (§CMVC 824)

For more information visit

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=MVC&division=4.&title=&part=&chapter=3.3.&article=

Servicemembers Civil Relief Act (SCRA)

- Prohibits non-judicial foreclosure on mortgages that originated before the servicemember's military service (§USC 533)
- Servicemembers can't be charged more than a 6% interest rate on credit card debt and most other interest bearing accounts while in service. (§USC 527)
- Permits servicemembers to break residential and car leases if they receive orders for a permanent change of station or deployment.
- A landlord must obtain a court order to evict a servicemember or their dependent due to nonpayment of rent. The court has the authority to stay (postpone) the eviction is able prove that they are materially affected by their military service

For more information:

http://www.justice.gov/crt/publications/servicemembers_booklet.pdf

http://www.justice.gov/crt/spec_topics/military/sratext.pdf